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Senegal

Grain and Feed

Annual (Rice)

2001

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Report Highlights:

Rice production fell about 10 percent in 2000/01 as farmers in the Senegal River Valley shifted to more profitable tomato production. Rice imports are forecast to decrease further in 2001. Since July 2001, Senegal has agreed to abide by the Customs Valuation Agreement of World Trade Organization (WTO).

Includes PSD changes: Yes

Includes Trade Matrix: Yes

Annual Report

Abidjan [IV1], SG

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Executive Summary

Production of rice fell about 10% in 2000/01 as farmers in the Senegal River Valley shifted to more profitable processing tomatoes for two newly constructed plants in the region. Local rice is not price competitive with Asian imports, which is made up of mostly 100% broken rice. Senegalese consumers prefer 100% broken rice, making the marketing of the long grain rice crop difficult, and often unprofitable. Rice is mainly produced in the Senegal River Valley, where irrigation is available. The southern Casamance region also produces rice, mainly in ephemerally flooded fields, but it is mostly for home consumption.

Production of other grains increased in 2000/01 and is expected to increase another 10-15% in 2001/02 as rains were timely and plentiful.

Senegalese rice imports are forecast to decrease slightly in 2001. Imports fell in CY00 after soaring in CY99 in anticipation of April 2000 presidential elections. For the first 8 months of CY01 imports surged to 472 TMT, up about 50% from year earlier figures. However, Post forecasts that 2001/02 imports will drop to about 50 TMT per month (600 TMT/year) due to market saturation and some replacement of imported rice with amply available local grains.

Thailand remains the largest supplier of rice to Senegal with 64% of the market. Vietnam is the next largest supplier with a 26% market share.

The Senegalese duty structure is in flux. At present, all rice imports pay an ad valorem duty of FCFA 20,000 per metric ton. In addition, a fiscal tax of 20% is assessed on medium and long grain rice. Finally, the value added tax (VAT) has just been adjusted upwards to 18%, however, there is disagreement on whether or not it is applicable to rice. Note that the 20% fiscal tax on medium and long grain rice gives preference to imports of 100% broken rice.

In theory, Senegal's customs duties should be consistent with the common external tariff (CET) of the West African Economic and Monetary Union (known by its French acronym UEMOA). Under UEMOA, the maximum duty on rice should be 12.7 % (this includes a duty of 10% and various fees of 2.7%). Also under UEMOA the VAT should be applied to all goods at a maximum of 20%. However, UEMOA member countries do not consistently apply the CET nor the VAT.

A variable levy system on rice was put into place in December 1996, but, according to importers, it has never been applied. In any event, since July 2001, Senegal has agreed to abide by the Customs Valuation Agreement of the WTO which precludes variable levies.

| | | | | | | |
|------------------------|--------------|---------|-------------|---------|--------------------|---------|
| PSD Table | | | | | | |
| Country | Senegal | | | | | |
| Commodity | Rice, Milled | | | | (1000 HA)(1000 MT) | |
| | Revised | 1999 | Preliminary | 2000 | Forecast | 2001 |
| | Old | New | Old | New | Old | New |
| Market Year Begin | | 08/1999 | | 08/2000 | | 08/2001 |
| Area Harvested | 75 | 130 | 75 | 85 | 75 | 85 |
| Beginning Stocks | 183 | 280 | 181 | 280 | 154 | 280 |
| Milled Production | 98 | 156 | 98 | 141 | 95 | 143 |
| Rough Production | 151 | 240 | 151 | 217 | 146 | 220 |
| MILLING RATE (.9999) | 6500 | 6500 | 6500 | 6500 | 6500 | 6500 |
| TOTAL Imports | 700 | 548 | 700 | 620 | 730 | 600 |
| Jan-Dec Imports | 700 | 658 | 730 | 537 | 725 | 550 |
| Jan-Dec Import U.S. | 0 | 2 | 0 | 2 | 0 | 9 |
| TOTAL SUPPLY | 981 | 984 | 979 | 1041 | 979 | 1023 |
| TOTAL Exports | 0 | 0 | 0 | 0 | 0 | 0 |
| Jan-Dec Exports | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL Dom. Consumption | 800 | 704 | 825 | 761 | 850 | 743 |
| Ending Stocks | 181 | 280 | 154 | 280 | 129 | 280 |
| TOTAL DISTRIBUTION | 981 | 984 | 979 | 1041 | 979 | 1023 |

| | | | |
|---------------------|--------------|-----------|--------|
| Import Trade Matrix | | | |
| Country | Senegal | | |
| Commodity | Rice, Milled | | |
| Time period | Jan-Dec | Units: | MT |
| Imports for: | 1999 | | 2000 |
| U.S. | 2000 | U.S. | 80 |
| Others | | Others | |
| Thailand | 286528 | Thailand | 343693 |
| India | 150130 | India | 36094 |
| Vietnam | 141946 | Vietnam | 140533 |
| Brazil | 1800 | Brazil | 1873 |
| Surinam | 3598 | Uruguay | 10884 |
| Guyana | 12490 | Pakistan | 43 |
| Argentina | 11808 | Syria | 1421 |
| Egypt | 7300 | Egypt | 131 |
| Japan | 5900 | Japan | 1807 |
| Australia | 626 | Australia | 300 |
| Total for Others | 622126 | | 536779 |
| Others not Listed | 1033 | | 12 |
| Grand Total | 625159 | | 536871 |